[Hon'ble Mr. A. Thanu Pillai]

The stock position of food grains as on this day is about 34,000 tons (30,000 tons of rice and 4000 tons of wheat) which will cover our requirements for 5 weeks only. The import quota allotted will not be sufficient to meet the requirements for the rest of 1948. Very earnest representations have therefore been made to the Central Government in the matter of the supply of an additional quantity of 40,000 tons of rice before the end of 1948 The Government's plan to adopt a policy of partial and cautious decontrol of food grains will have to be considered in relation to the All India policy of the Central Government in this regard before a final decision can be taken. Provided there is no variance with the Central Government's plan, Government are considering the possibility of introducing decontrol with proper safeguards in the Nanjinad area, Shencottah, Pathanapuram, Muvattupuzha, Kunnatnad and Parur taluks.

Grow More Food.

As the question of food shortage is one facing many countries releases of food grains on the pre-war level cannot be expected at least for a few years to come and we have therefore to draw up and implement our own scheme to cover the deficit. Some schemes have already been taken on hand and others are ready to be put through. The Department of Agriculture and that, for Land, Production and procurement are working in close co-operation. The main features of the schemes are the provision of adequate facilities to agriculturists for intensive cultivation of paddy and for the production of various supplementary food crops and for putting more and more arable land under food crops. Ample funds have been provided in the Budget for restoration of tanks and other minor irrigation and lift irrigation works, for the manufacture and distribution of manures, both artificial and natural, for the distribution of high yielding seeds, as also for implementing schemes for the cultivation of potato, wheat and other crops in the High Ranges. Provision has been made for colonisation and food production. Rs. 80,000 has been provided for the expansion of the production of compost manure in accordance with the Government of India scheme. It may also be mentioned that a sum of Rs. 11·5 lakhs has been provided for the Perinchani Irrigation Project in South Travancore for the year 1124.

Travancore is in an advantageous position in regard to artificial fertilisers. The Travancore Fertilisers and Chemicals Factory at Alwaye produces nitrogenous and phosphatic fertilisers. The yield of the Factory is estimated at 50,000 tons of ammonium sulphate per annum and it is also expected to produce 75 to 90 tons of sulphuric acid and 80 to 100 tons of super-phosphates a day. Some of the important by-products of the Factory are wood-ash, calcium carbonate and unutilised gypsum. The recovery of

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calcium carbonate is being carried out and the material will be very valuable as a soil corrective. About 20,000 tons are estimated to be available for release every year, of which about half the quantity will be required normally for the Agricultural requirements of the State.

Industrial Policy.

Let me now say a word about the financial policy of the Government *vis-a-vis* the industrial and commercial enterprises in the State in which Government have financial interest. It has become the practice of the majority of such concerns to approach Government, immediately after flotation, for financial support for implementing their capital programmes on the grounds of the Government's financial interest in the concerns. The tight money market conditions, restricting the issue of further capital, are also sometimes put forth in support of such demands. While Government are anxious to industrialise the country in the proper way, they wish to make it clear that they cannot go on encouraging more and more private enterprises indefinitely by State support in the form of capital advances. Only State controlled or State managed concerns will in future ordinarily obtain financial support from Government and concerns approaching Government for aid should be prepared to submit themselves to effective control by Government.

Capital and Labour.

It is the view of Government that in order to raise the living standard of the masses, the bulk of whom are labourers in factories or in farms, there should be co-operation and understanding between the employer and the employee. The time has come when employers should be willing to share profits with the employees and the employees in turn render more regular and earnest work. Trade and commerce are often dislocated by strikes which decrease production, when production in an ever-increasing measure is most needed.

Commerce.

Industrialists complain, among other things, that their products do not find adequate markets for lack of demand for finished goods. They also complain of the lack of foreign exchange facilities in the matter of imports. In order to overcome such difficulties it would be desirable for all direct importers and exporters to enroll themselves as effective members of one or the other of the established Chambers of Commerce and depute Trade Commissions to find markets for their goods as also to find channels for the supply of raw materials. The question of getting foreign currency in the matter of imports has become a thorny problem But it is hoped that the situation will now be eased with the conclusion of the sterling agreement between Britain and India.

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